

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES
MEDICAL ASSISTANCE ADMINISTRATION
Olympia, Washington**

To: Kidney Centers
Managed Care Plans

Memorandum No: 04-12 MAA
Issued: March 23, 2004

From: Douglas Porter, Assistant Secretary
Medical Assistance Administration (MAA)

For Information Call:
1-800-562-6188

Subject: Kidney Center Services - Updates

Retroactive to dates of service on and after January 1, 2004, the Medical Assistance Administration (MAA) began using the 2004 CPT™ and Year 2004 HCPCS Level II code additions. This memorandum presents a review of those changes.

This memorandum also includes the following updates:

- Maximum allowable fees for the Year 2004 additions, and some fee changes;
- Place of service code changes;
- Vaccine information;
- Unlisted drug code information; and
- Technical changes.

Overview

All procedure code maximum allowable fees that are not listed in this memorandum remain at the August 1, 2003, level. **Do not use** CPT and HCPCS codes that are deleted in the “Year 2004 CPT” book and the “Year 2004 HCPCS” book for dates of service after December 31, 2003.

Maximum Allowable Fees

MAA uses Medicare’s Single Drug Pricer (SDP) in determining the maximum allowable fees for drugs administered in a kidney center. MAA’s maximum allowable fee is based on 86% of Medicare’s Average Wholesale Price (AWP), as reported in the SDP.

On a quarterly basis, MAA updates the maximum allowable fees for drugs administered in a kidney center. **These quarterly drug price updates are posted online only;** replacement pages for MAA's billing instructions are not mailed out each time MAA updates drug pricing.

Please check MAA's website frequently for pricing updates. Go to: <http://maa.dshs.wa.gov> (click on Provider Publications/Fee Schedules, then Fee Schedules, then Quarterly Drug Updates).

New Place of Service Codes

On and after October 16, 2003, MAA began accepting Medicare's two-digit place of service codes:

| Place of Service Code | Description | Facility | Non-Facility |
|-----------------------|--|----------|--------------|
| 11 | Office | | X |
| 12 | Adult Family Homes | | X |
| 12 | Client's Private Residence | | X |
| 13 | Assisted Living | | X |
| 21 | Inpatient Hospital | X | |
| 22 | Outpatient Hospital | X | |
| 23 | Emergency Room Hospital | X | |
| 24 | Ambulatory Surgical Center | X | |
| 25 | Birth Center | X | |
| 26 | Military Treatment Facility | X | |
| 31 | Skilled Nursing Facility | X | |
| 32 | Nursing Facility | | X |
| 33 | Custodial Care Facility | | X |
| 34 | Hospice | X | |
| 50 | Federally Qualified Health Center | | X |
| 51 | Inpatient Psychiatric Facility | X | |
| 52 | Psychiatric Facility Partial Hospitalization | X | |
| 53 | Community Mental Health Center | X | |
| 54 | Intermediate Care Facility/Mentally Disabled | | X |
| 55 | Residential Substance Abuse Treatment Facility | | X |
| 56 | Psychiatric Residential Treatment Facility | X | |
| 61 | Comprehensive Inpatient Rehabilitation Facility | X | |
| 62 | Comprehensive Outpatient Rehabilitation Facility | X | |
| 65 | End Stage Renal Disease Treatment Facility | | X |
| 71 | State or Local Public Health Clinic | | X |
| 72 | Rural Health Clinic | | X |
| 81 | Independent Laboratory | | X |
| 99 | Other Unlisted Facility | X | |

Deleted CPT and HCPCS Codes

The following codes were deleted from the CPT and HCPCS manuals and may no longer be billed with revenue code 636:

- CPT code 90659 (flu vaccine, whole, im); and
- HCPCS code J2000 (lidocaine HCl).

New Code Additions

The following new codes have been added to those billable by kidney centers:

| Revenue Code | Procedure Code | Description | Maximum Allowable Fee |
|----------------|----------------|---|-----------------------|
| Not applicable | P9054 | Whole blood or red blood cells, leukocytes reduced, frozen, deglycerol, washed, each unit | By Report |
| Not applicable | P9055 | Platelets, leukocytes reduced, cmv-negative, apheresis/pheresis, each unit | By Report |
| Not applicable | P9056 | Whole blood, leukocytes reduced, irradiated, each unit | By Report |
| Not applicable | P9057 | Red blood cells, frozen/deglycerolized/washed, leukocytes reduced, irradiated, each unit | By Report |
| Not applicable | P9058 | Red blood cells, leukocytes reduced, cmv-negative, irradiated, each unit | By Report |
| Not applicable | P9059 | Fresh frozen plasma between 8-24 hours of collection, each unit | By Report |
| Not applicable | P9060 | Fresh frozen plasma, donor retested, each unit | By Report |
| 636 | 90655 | Influenza virus vaccine, split virus, preservative free, for children 6-35 months of age, for intramuscular use | \$12.90 |
| 636 | 90656 | Influenza virus vaccine, split virus, preservative free, for use in individuals 3 years of age and above, for intramuscular use | 9.00 |
| 636 | 90660 | Influenza virus vaccine, live, for intranasal use | 49.45 |
| 636 | J2001 | Injection, lidocaine HCl for intravenous infusion, 10 mg | 0.89 |
| 636 | Q4054 | Injection, darbepoetin alfa, 1 mcg (for ESRD on dialysis) | 4.29 |

Vaccines

- **Retroactive to dates of service on and after November 15, 2003**, MAA began reimbursing kidney centers for the new preservative-free flu vaccines (CPT codes 90655 and 90656 when billed with revenue code 636). The new 2004 CPT manuals were inadvertently printed without the description of procedure code 90656. Below are descriptions of CPT codes 90655 and 90656:

| CPT Code | Description |
|----------|--|
| 90655 | Influenza virus vaccine, split virus, preservative-free, for children 6-35 months of age, for intramuscular use |
| 90656 | Influenza virus vaccine, split virus, preservative-free, for individuals 3 years of age and above, for intramuscular use |

For clients 20 years of age and younger, these vaccines are available at no cost from the Department of Health (DOH) through the Vaccines for Children Program. When a kidney center administers one of these vaccines to these clients, MAA pays the kidney center an administration fee only (a \$5.00 flat fee). **Providers must use modifier SL when billing for these vaccines for clients 20 years of age and younger.** (Note: The modifier SL triggers payment of the administration fee.)


For clients 21 years of age and older, MAA will reimburse the kidney center the established maximum allowable fee.

- **Retroactive to dates of service on and after January 1, 2004**, MAA began reimbursing kidney centers for the live, intranasal flu vaccine (CPT code 90660 billed with revenue code 636). MAA covers CPT code 90660 for clients ages 5-49 years only.

Documentation Requirements for Unlisted Drug Codes

Retroactive to dates of service on and after July 1, 2003, providers who bill MAA using unlisted drug HCPCS code J3490 must list the following on the claim form:

- The 11-digit National Drug Code (NDC) of the drug administered (be sure to include all zeros in their correct places for the proper 5-4-2 NDC format); and
- The dose of the drug administered.

 **Note:** MAA **no longer requires the name and strength** of the drug be listed on the claim form when billing using unlisted drug HCPCS code J3490.

Technical Changes

Retroactive to dates of service on and after March 1, 2004, when billing MAA for Epoetin Alpha (EPO) using revenue codes 634 or 635, **each billing unit is equal to 100 units of EPO given** (1 billing unit = 100 units of EPO). Payment is based on the maximum allowable fee for each billing unit of revenue codes 634 or 635.

Attached are replacement pages E.5/E.6 and F.2 – F.6 to MAA's Kidney Center Services Billing Instructions, dated August 2003. To obtain MAA's provider numbered memoranda and billing instructions, go to MAA's website at <http://maa.dshs.wa.gov> (click on the Provider Publications/Fee Schedules link).

Blood Products and Services [Refer to WAC 388-540-190]

MAA reimburses free-standing kidney centers for:

- Blood processing and other fees assessed by non-profit blood centers that do not charge for the blood or blood products themselves; and
- Costs, up to MAA's maximum allowable fee, incurred by the center to administer its in-house blood procurement program.

MAA does not reimburse free-standing kidney centers for blood or blood products (refer to WAC 388-550-6500).

Staff time used to administer blood or blood products is included in the reimbursement for the composite rate (refer to WAC 388-540-150 and 388-540-160).

Epoetin Alpha (EPO) [Refer to WAC 388-540-200]

MAA reimburses the kidney center for EPO therapy when:

- Administered in the kidney center to a client:
 - ✓ With a hematocrit less than 33 percent or a hemoglobin less than 11 when therapy is initiated; or
 - ✓ Continuing EPO therapy with a hematocrit between 30 and 36 percent.
- Provided to a home dialysis client:
 - ✓ With a hematocrit less than 33 percent or a hemoglobin less than 11 when therapy is initiated; and
 - ✓ When permitted by Washington Board of Pharmacy Rules (refer to WAC 246-905-020 Home Dialysis Program--Legend Drugs).

For billing purposes, **100 units of EPO given to the client equals one (1) billing unit**. If a fraction of 100 units of EPO is given, round the billing unit as follows:

- If 49 units or less are given, round down to the next 100 units (i.e., bill 31,440 units of EPO as 314 billing units).
- If 50 units or more are given, round up to the next 100 units (i.e., bill 31,550 units of EPO as 316 billing units).

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Fee Schedule

Procedure Codes

Procedure Codes for Blood Processing Used in Outpatient Blood Transfusions



Please note the following items:



- MAA does not reimburse providers for blood and blood products.
- Reimbursement is limited to blood bank service charges for processing the blood and blood products (refer to WAC 388-550-6500).
- The codes listed below must be used to represent the following costs: 1) blood processing and other fees assessed by non-profit blood centers that do not charge for the blood or blood products themselves; or 2) costs incurred by a center to administer its in-house blood procurement program. However, these costs must not include any staff time used to administer blood.

| Procedure Code | Blood Processing for Transfusion | Maximum Allowable Fee |
|----------------|---|-----------------------|
| P9010 | Blood (whole), for transfusion, per unit | \$55.10 |
| P9011 | Blood (split unit), specify amount | By Report |
| P9012 | Cryoprecipitate, each unit | 26.20 |
| P9016 | Red blood cells, leukocytes reduced, each unit | 45.53 |
| P9017 | Fresh frozen plasma (single donor), each unit | 47.82 |
| P9019 | Platelets, each unit | By Report |
| P9020 | Platelet rich plasma, each unit | By Report |
| P9021 | Red blood cells, each unit | 66.64 |
| P9022 | Red blood cells, washed, each unit | 20.50 |
| P9023 | Plasma, pooled multiple donor, solvent/detergent treated, frozen, each unit | By Report |
| P9031 | Platelets, leukocytes reduced, each unit | By Report |
| P9032 | Platelets, irradiated, each unit | By Report |
| P9033 | Platelets, leukocytes reduced, irradiated, each unit | By Report |
| P9034 | Platelets, pheresis, each unit | By Report |


| Procedure Code | Blood Processing for Transfusion | Maximum Allowable Fee |
|-----------------------|---|------------------------------|
| P9035 | Platelets, pheresis, leukocytes reduced, each unit | By Report |
| P9036 | Platelets, pheresis, irradiated, each unit | By Report |
| P9037 | Platelets, pheresis, leukocytes reduced, irradiated, each unit | By Report |
| P9038 | Red blood cells, irradiated, each unit | By Report |
| P9039 | Red blood cells, deglycerolized, each unit | By Report |
| P9040 | Red blood cells, leukocytes reduced, irradiated, each unit | By Report |
| P9041 | Infusion, albumin (human), 5%, 50 ml | \$13.16 |
| P9043 | Infusion, plasma protein fraction (human), 5%, 50 ml | 13.16 |
| P9044 | Plasma, cryoprecipitate reduced, each unit | By Report |
| P9045 | Infusion, albumin (human), 5%, 250 ml | 49.88 |
| P9046 | Infusion, albumin (human), 25%, 20ml | 13.16 |
| P9047 | Infusion, albumin (human). 25%, 50ml | 49.88 |
| P9048 | Infusion, plasma protein fraction (human), 5%, 250ml | 26.34 |
| P9050 | Granulocytes, pheresis, each unit | By Report |
| P9054 | Whole blood or red blood cells, leukocytes reduced, frozen, deglycerol, washed, each unit | By Report |
| P9055 | Platelets, leukocytes reduced, cmv-negative, apheresis/pheresis, each unit | By Report |
| P9056 | Whole blood, leukocytes reduced, irradiated, each unit | By Report |
| P9057 | Red blood cells, frozen/deglycerolized/washed, leukocytes reduced, irradiated, each unit | By Report |
| P9058 | Red blood cells, leukocytes reduced, cmv-negative, irradiated, each unit | By Report |
| P9059 | Fresh frozen plasma between 8-24 hours of collection, each unit | By Report |
| P9060 | Fresh frozen plasma, donor retested, each unit | By Report |

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Revenue Codes

| Revenue Code | Description | Maximum Allowable Fee |
|--|---|--------------------------|
| <u>Pharmacy</u> | | |
| 260 | Administration of drugs by IV/intramuscular (non-renal related and/or not covered by Medicare). | By Report |
| <u>Medical/Surgical Supplies and Devices</u> (Requires specific identification using a HCPCS code) | | |
| 270* | Medical/surgical supplies and devices  Note: In order to receive payment for revenue code 270, the procedure code of the specific supply given must be indicated in field 44 of the UB-92 claim form. Reimbursement is limited to <u>those supplies listed below</u> . | |
| Procedure Code | Type of Supply | Maximum Allowable Fee |
| A4657 | Syringe, with or without needle | \$.50/per supply package |
| A4750 | Blood tubing, arterial or venous, for hemodialysis, each | 12.70 |
| A4913 | Miscellaneous dialysis supplies (use for IV tubing, pump) | 24.35 |
| Revenue Code | Description | Maximum Allowable Fee |
| <u>Laboratory</u> | | |
| 303 | Laboratory, renal patient (home) | By Report |
| 304 | Laboratory, non-routine dialysis | By Report |
| <u>Epoetin Alpha (EPO)</u> | | |
| |  Note: When billing with revenue codes 634 and 635, each billing unit reported on the claim form represents 100 units of EPO given. | |
| 634* | Erythropoietin (EPO) less than 10,000 units | 1.15 |
| 635* | Erythropoietin (EPO) 10,000 or more units | 1.15 |

* For clients who have dual coverage (Medicare/Medicaid) the asterisked (*) drugs, supplies, and services must first be billed to Medicare.

| Revenue Code | Description | Maximum Allowable Fee | |
|---|---|-----------------------|-----------------------|
| <u>Other Drugs Requiring Specific Identification</u> | | | |
| 636* | Administration of drugs (bill number of units based on the description of the drug code) | | |
| |  Note: In order to receive payment for revenue code 636, the procedure code of the specific drug given must be indicated in field 44 of the UB-92 claim form. Reimbursement is limited to <u>those drugs listed below</u> . | | |
| Procedure Code | Name of Drug | Admin. Dosage | Maximum Allowable Fee |
| 90655 | Flu vaccine, preservative free, 6-35 mo, im | | \$12.90 |
| 90656 | Flu vaccine, preservative free, 3 yrs & above, im | | 9.00 |
| 90657 | Flu vaccine, 6-35 mo, im | | 2.59 |
| 90658 | Flu vaccine, 3 yrs & above, im | | 4.04 |
| 90660 | Flu vaccine, live, intranasal | | 49.45 |
| 90659 | Flu vaccine, whole, im | | 2.59 |
| 90732 | Pneumococcal vaccine | | 16.86 |
| 90747 | Immunization, active: Hepatitis B vaccine | 40 mcg | 100.41 |
| J0280 | Injection, Aminophyllin | 250 mg | 0.95 |
| J0285 | Amphotericin | 50 mg | 9.41 |
| J0290 | Ampicillin Sodium | 500mg | 1.49 |
| J0295 | Ampicillin Sodium/Sulbactam sodium | 1.5 g | 6.72 |
| J0360 | Injection, Hydralazine HCl | 20 mg | 14.52 |
| J0530 | Penicillin G Benzathine and Procaine | 600,000u | 10.79 |
| J0610 | Calcium Gluconate | 10ml | 1.30 |
| J0630 | Calcitonin Salmon | 400u | 34.77 |
| J0636 | Calcitriol | 0.1mcg | 1.25 |
| J0640 | Leucovorin Calcium | 50 mg | 3.22 |
| J0690 | Cefazolin Sodium | 500mg | 2.04 |
| J0694 | Cefoxitin Sodium | 1gm | 9.68 |
| J0696 | Ceftriaxone Sodium | 250mg | 13.51 |
| J0697 | Cefuroxime Sodium | 750mg | 5.81 |
| J0702 | Betamethasone Acetate and Betamethasone Sodium Phosphate | 3 mg | 4.51 |
| J0704 | Betamethasone Sodium Phosphate | 4 mg | 0.97 |
| J0710 | Cephapirin Sodium | 1gm | 1.41 |

* For clients who have dual coverage (Medicare/Medicaid) the asterisk (*) drugs, supplies, and services must first be billed to Medicare.

(CPT codes and descriptions are copyright 2003 American Medical Association.)

Kidney Center Services

| Procedure Code | Name of Drug | Admin. Dosage | Maximum Allowable Fee |
|-----------------------|--|----------------------|------------------------------|
| J0713 | Ceftazidime | 500 mg | \$6.11 |
| J0745 | Codeine Phosphate | 30mg | 0.79 |
| J0780 | Prochlorperazine | 10mg | 8.01 |
| J0895 | Deferoxamine Mesylate | 500mg | 14.15 |
| J0970 | Estradiol Valerate | 40mg | 1.47 |
| J1060 | Testosterone Cypionate and Estradiol Cypionate | 1 ml | 4.21 |
| J1070 | Testosterone Cypionate | 100 mg | 4.48 |
| J1080 | Testosterone Cypionate, 1 cc | 200 mg | 8.54 |
| J1094 | Dexamethasone Acetate | 1 mg | 0.64 |
| J1160 | Digoxin | 0.5 mg | 1.62 |
| J1165 | Phenytoin Sodium | 50mg | 0.78 |
| J1170 | Hydromorphone | 4mg | 1.40 |
| J1200 | Diphenhydramine HCl | 50 mg | 1.46 |
| J1240 | Dimenhydrinate | 50mg | 0.34 |
| J1580 | Gentamicin Sulfate | 80mg | 1.87 |
| J1630 | Haloperidol | 5 mg | 6.18 |
| J1631 | Haloperidol Decanoate | 50 mg | 8.26 |
| J1645 | Dalteparin Sodium | 2500 IU | 14.20 |
| J1720 | Hydrocortisone Sodium Succinate | 100mg | 1.87 |
| J1750 | Iron Dextran | 50 mg | 16.21 |
| J1756 | Injection of Iron Sucrose | 1 mg | 0.60 |
| J1790 | Droperidol | 5mg | 2.53 |
| J1800 | Propranolol HCl | 1 mg | 10.53 |
| J1840 | Kanamycin Sulfate | 500mg | 2.99 |
| J1885 | Ketorolac Tromethamine | 15 mg | 3.22 |
| J1890 | Cephalothin Sodium | 1gm | 9.29 |
| J1940 | Furosemide | 20mg | 0.84 |
| J1955 | Levocarnitine | 1 gm | 30.96 |
| J1990 | Chlordiazepoxide HCl | 100 mg | 22.62 |
| J2000 | Lidocaine HCl | 50cc | 1.07 |
| J2001 | Lidocaine HCl | 10 mg | 0.89 |
| J2060 | Lorazepam | 2 mg | 2.84 |
| J2150 | Mannitol 25% | 50 ml | 2.96 |
| J2175 | Meperidine HCl | 100mg | 0.48 |
| J2270 | Morphine Sulfate | 10mg | 0.70 |
| J2275 | Morphine Sulfate (sterile solution) | 10 mg | 2.15 |
| J2320 | Nandrolone Decanoate | 50mg | 3.48 |
| J2321 | Nandrolone Decanoate | 100mg | 6.94 |
| J2322 | Nandrolone Decanoate | 200mg | 14.25 |
| J2501 | Paricalcitol | 1 mcg | 4.83 |

Kidney Center Services

| Procedure Code | Name of Drug | Admin. Dosage | Maximum Allowable Fee |
|----------------|---|-----------------|-----------------------|
| J2510 | Penicillin G Procaine Aqueous | 600,000u | \$8.69 |
| J2540 | Penicillin G Potassium | 600,000u | 0.26 |
| J2550 | Promethazine HCl | 50mg | 2.58 |
| J2560 | Phenobarbital Sodium | 120mg | 1.47 |
| J2690 | Procainamide HCl | 1gm | 1.29 |
| J2700 | Oxacillin Sodium | 250mg | 0.72 |
| J2720 | Protamine Sulfate | 10mg | 0.69 |
| J2765 | Metoclopramide HCl | 10mg | 1.72 |
| J2800 | Methocarbamol | 10 ml | 3.44 |
| J2916 | Sodium Ferric Gluconate Complex in Sucrose Injection | 12.5mg | 7.40 |
| J2920 | Methylprednisolone Sodium Succinate | 40 mg | 1.91 |
| J2930 | Methylprednisolone Sodium Succinate | 125 mg | 2.93 |
| J2995 | Streptokinase | 250,000 IU | 80.62 |
| J2997 | Alteplase Recombinant | 1 mg | 33.22 |
| J3000 | Streptomycin | 1gm | 5.75 |
| J3010 | Fentanyl Citrate | 0.1mg | 0.84 |
| J3070 | Pentazocine HCl | 30mg | 4.73 |
| J3120 | Testosterone Enanthate | 100mg | 8.13 |
| J3130 | Testosterone Enanthate | 200mg | 16.26 |
| J3230 | Chlorpromazine HCl | 50mg | 3.98 |
| J3250 | Trimethobenzamide HCl | 200mg | 1.40 |
| J3260 | Tobramycin Sulfate | 80mg | 4.04 |
| J3280 | Thiethylperazine Maleate | 10mg | 5.11 |
| J3301 | Triamcinolone Acetonide | 10 mg | 1.45 |
| J3360 | Diazepam | 5mg | 0.78 |
| J3364 | Urokinase | 5,000 IU vial | 9.26 |
| J3365 | IV Urokinase | 250,000 IU vial | 463.04 |
| J3370 | Vancomycin HCl | 500 mg | 6.36 |
| J3410 | Hydroxyzine HCl | 25 mg | 1.10 |
| J3420 | Vitamin B-12 Cyanocobalamin | 1,000 mcg | 0.15 |
| J3430 | Phytonadione (Vitamin K) | 1mg | 2.00 |
| J3490 | Unclassified Drugs | | Acquisition Cost |
| |  Note: The National Drug Code (NDC) number, and dosage given to the client must be included in the remarks section of the claim form when billing unlisted drug HCPCS code J3490. | | |
| Q4054 | Darbepoetin alfa | 1mcg | 4.29 |